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IN THE
Supreme Court of the United States
October Term, 1949

No. 528

BANQUE MELLIE/ IRAN.

Petitioner.

against

ELLIOTT V. BELL, as Superintendent of Banks of the
State of New York, as Liquidator of the business and
property of The Yokohama Specie Bank, Ltd., in the
State of New York;

Respondent.

**PETITION FOR WRIT OF CERTIORARI TO THE COURT
OF APPEALS OF THE STATE OF NEW YORK AND
BRIEF IN SUPPORT THEREOF.**

ALEN T. KLOTS,
Attorney for Banque Mellie Iran,
32 Liberty Street,
New York 5, New York.

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No.

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against

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Liquidator of the business and prop-
erty of The Yokohama Specie Bank,
Ltd., in the State of New York,

Respondent.

PETITION FOR WRIT OF CERTIORARI TO THE COURT OF APPEALS OF THE STATE OF NEW YORK.

*To the Honorable Fred M. Vinson, Chief Justice of the
United States, and the Associate Justices of the
Supreme Court of the United States:*

Your petitioner respectfully shows:

There is being presented simultaneously herewith, as your petitioner is informed, a petition by Elliott V. Bell, as Superintendent of Banks of the State of New York, as Liquidator of the business and property of The Yokohama Specie Bank, Ltd. in the State of New York, the respondent herein, for a writ of certiorari to the Court of Appeals of the State of New York to review the judgment herein sought to be reviewed in so far as it adversely affects him. Your petitioner is opposing the granting of the relief sought by the respondent on the ground that there are no special or important reasons to require this Court to exercise its judicial discretion to grant certiorari. Your petitioner seeks the relief herein only in the event that a writ of certiorari be granted on the petition of the respondent.

A certified transcript of the Record in this case has been filed by the Superintendent of Banks of the State of New York in connection with his petition for certiorari, and the citations herein are to the Record as so filed.

Summary Statement of Matter Involved.

Petitioner is the central bank of Iran. It has recovered a judgment in the Court of Appeals of the State of New York to the effect that it has a preferred claim in the amount of \$112,205.30 against the assets of The Yokohama Specie Bank, Ltd. in the State of New York which are now in the hands of respondent, the Superintendent of Banks of the State of New York as Liquidator. The New York State Banking Law, Section 606-4a, provides that a claim against a foreign banking corporation under liquidation shall be preferred against the assets of such corporation in New York if it be one "arising out of transactions" had by the claimant with the New York Agency of such foreign banking corporation. All the New York courts which heard the case—that is to say, the Supreme Court Special Term, Appellate Division First Department, and the Court of Appeals—have held unanimously that the petitioner's claim answered the description required by the statute of a claim arising out of a transaction with the New York Agency of The Yokohama Specie Bank, Ltd. and should therefore be preferred.

The court of first instance—the Special Term of the Supreme Court, New York County—allowed interest on the claim from December 2, 1941, as demanded in the complaint, in the amount of \$30,811.78 (R. 9). The Appellate Division, First Department, although affirming the judgment as far as principal was concerned, modified the judgment and allowed interest only from October 29, 1942 instead of from December 2, 1941 (R. 343, 347). On appeal to the Court of

Appeals, that court again unanimously affirmed the judgment in favor of petitioner as far as the principal was concerned, but denied all interest whatsoever and held that payment could not be made without a Federal license (299 N. Y. 139, R. 353).

It appears from the opinion of the Court of Appeals (R. 353-354) that it denied interest on the ground that before the respondent herein could pay the claim a license would have to be procured from the United States Government by reason of the provisions of Executive Order No. 8389 (3 Code Fed. Reg., Cum. Supp. 1943, p. 645) issued under the Trading with the Enemy Act (40 Stat. 411 (1917) as amended; 50 U. S. C. App. § 1) and that no such license had been procured and therefore no interest was allowable.

Petitioner urged in the State courts, including the Court of Appeals, that one or both of two certain documents issued under the authority of the United States Government, when read in connection with Supervisory Order Number 27 (R. 198-200), the letter of September 28, 1942 (R. 242-244), and Vesting Order 915 (R. 201), authorized respondent to pay claims of this character and that no further license was required. Petitioner further urged that interest should be allowed from the earliest date on which payment was authorized. The licenses relied on are contained in the following documents, copies of which are annexed hereto as an appendix:

(a) License dated January 14, 1942, issued on behalf of the Secretary of the Treasury and granted under the authority of Executive Order No. 8389 of April 10, 1940, as amended, and the regulations and rulings issued thereunder (R. 194-197, particularly R. 196-197).

(b) Letter dated October 29, 1942, issued on behalf of the Foreign Property Control by the Federal

Reserve Bank of New York, Fiscal Agent of the United States (R. 192-193).

The Appellate Division allowed interest on the claim in question from October 29, 1942 (R. 347), thus holding (without opinion) that the letter of October 29, 1942 authorized respondent to pay the claim and that thereafter his failure to pay the claim was due to the fact that he erroneously maintained that the claim was not entitled to a preference under the New York statute. The Court of Appeals reversed this holding as to interest, and denied any interest whatever, holding that none of the aforesaid documents constituted a license authorizing respondent to pay the claim in question and that therefore petitioner was not entitled to interest (R. 353-354). It is petitioner's contention that the Court of Appeals erred in thus interpreting the purport and effect of these documents issued under the authority of the United States and that a Federal question is thus presented which should be reviewed by this Court.

The facts of the case may be briefly stated. In the early part of 1941 the petitioner, Banque Mellie Iran, deposited numerous sums, aggregating \$117,162.27, with the New York Agency of The Yokohama Specie Bank, Ltd. (R. 23). These sums were all deposited prior to July 26, 1941, the date on which the freezing order issued under the Trading with the Enemy Act became applicable to Japanese funds (R. 24). These sums were deposited for the purpose of obtaining credits in Japan which might be drawn upon by various shippers in Japan who had sold goods to customers in Iran (R. 160). With the exception of \$1,000, none of these credits were utilized prior to their expiration dates (R. 161). Thereafter, subsequent to July 26, 1941, the branches of The Yokohama Specie Bank in Japan sent a series of cables to the New York branch instructing the latter to repay to petitioner certain of these sums, amounting in all to

\$112,205.30 (R. 142-155), and the New York Agency of The Yokohama Specie Bank, on or about December 2, 1941, notified the representative of petitioner in New York that it had been instructed to repay these sums provided a license from the Treasury Department should be procured (R. 36-37). Because Japanese funds had by that time become frozen, payment could not be made without a license. Before a license could be obtained, war broke out between this country and Japan, and on December 8, 1941 the Superintendent of Banks of the State of New York took possession of the assets of the New York branch of The Yokohama Specie Bank pursuant to the New York statute (R. 207, 215).

In view of the fact that The Yokohama Specie Bank, Ltd., was a national of an enemy country, the property in the possession of its New York Agency would ordinarily have been taken into the possession of the Alien Property Custodian under the provisions of the Trading with the Enemy Act. Because the Agency's affairs, however, were in process of liquidation by the New York Superintendent of Banks, the Alien Property Custodian permitted the Superintendent of Banks to continue his administration and liquidation of the property and affairs of the Agency under the applicable New York law (see Supervisory Order No. 27, R. 198-200; also letter dated September 28, 1942, R. 242-244). The Alien Property Custodian did not seize any of the assets in the possession of the Superintendent of Banks, except the excess proceeds of liquidation after payment of all preferred claims and interest thereon (Vesting Order No. 915, R. 201). He did not seize any of the assets as far as they were required to pay these claims preferred under New York law with interest thereon, but left their disposition and their administration to the New York Superintendent of Banks, who has in fact paid all preferred claims which have been allowed (R. 321). The Alien Property Custodian

todian was made a party to this action, served with the complaint, and given an opportunity to appear; but he notified petitioner's counsel that he did not choose to appear, and a stipulation was entered into discontinuing the action as to him.

After the respondent Superintendent of Banks had taken possession of the assets of The Yokohama Specie Bank, Ltd., in New York, petitioner filed a claim with him asserting that its claim was entitled to be preferred by reason of the fact that the statute gave preference to claims "arising out of transactions" with the New York Agency and that the claim of Banque Mellie Iran arose out of such a transaction (R. 245-249). Respondent, the Superintendent of Banks, rejected the claim. Thereupon petitioner instituted this litigation in the New York courts. The Court of Appeals of New York has now held that petitioner's claim is entitled to a preference under the statute, but that its payment is subject to procuring a license from the Federal Government and that petitioner is entitled to no interest on the claim (R. 353-354).

Iran was not an enemy during the war, but became an ally of the United States. Petitioner was never a blocked national.

Jurisdictional Statement.

It is contended that the Supreme Court has jurisdiction to review the judgment here in question because there is involved the meaning and interpretation of certain documents issued under the authority of Executive Order No. 8389 of April 10, 1940, as amended (3 Code Fed. Reg., Cum. Supp. 1943, p. 645) and Executive Order No. 9095, March 11, 1942 (3 Code Fed. Reg., Cum. Supp. 1943, p. 1121), pursuant to the provisions of the Trading with the Enemy Act (40 Stat. 411 (1917) as amended; 50 U. S. C. App. § 1). It appears from the opinion of the Court of Appeals that

the meaning of these documents was passed on by that Court, and it is expressly stated in the amended remittitur of that Court that "the documents in evidence do not constitute such a license"—i. e., a license to pay this claim (R. 356). Because of the erroneous interpretation of these document by the Court of Appeals of the State of New York, petitioner's rights under the Trading with the Enemy Act and the orders and licenses issued thereunder have been adversely affected, and this Court has jurisdiction to review the same under Title 28 United States Code § 1257 subd. 3 Judiciary and Judicial Procedure.

The decision of the Court of Appeals in this case was rendered on April 14, 1949 (R. 351). The remittitur of the Court of Appeals issued to the Supreme Court of the State of New York on the same day. (R. 354). Prior to the expiration of ninety days from that date the respondent herein made a motion for reargument, which was denied by the Court of Appeals on October 6, 1949 (R. 364). The period of ninety days prescribed by statute for applying for a writ of certiorari (Title 28 U. S. C. § 2101(e)) will expire on January 4, 1950, that time being computed from the date of the denial of the motion for reargument. *Department of Banking v. Pink*, 317 U. S. 264 (1942).

Questions Presented.

1. Did the license of January 14, 1942 (R. 194), addressed to the Superintendent of Banks of the State of New York by direction and on behalf of the Secretary of the Treasury of the United States, authorize the Superintendent of Banks to pay petitioner's claim, as far as the Trading with the Enemy Act or Executive Order No. 8389 of April 10, 1940 or any amendments thereto and regulations and rulings issued thereunder were concerned?

2. Did the letter of October 29, 1942 (R. 192), issued on behalf of the Foreign Property Control by the Federal Reserve Bank of New York, Fiscal Agent of the United States, taken in connection with Supervisory Order No. 27 (R. 198-200), the letter of September 28, 1942 (R. 242-244), and Vesting Order 915 (R. 201), authorize the Superintendent of Banks to pay petitioner's claim as far as the Trading with the Enemy Act or Executive Order No. 8389 of April 10, 1940 or any amendments thereto and the regulations and rulings issued thereunder were concerned?

Reasons Relied on for the Allowance of the Writ.

1. The proper interpretation and construction of the licenses of January 14, 1942 and October 29, 1942 (R. 194, 192), above described, has not heretofore been determined by this Court, and is of importance in the administration of the Federal program for the control of foreign funds.

2. The proper interpretation and construction of Supervisory Order Number 27 (R. 198-200), the letter of September 28, 1942 (R. 242-244), and Vesting Order 915 (R. 201) all issued by the Alien Property Custodian has not heretofore been determined by this Court and is of importance in the administration of the federal program for control of foreign funds and in establishing the jurisdiction thereover of the Treasury Department and the Alien Property Custodian.

3. The license of January 14, 1942 applied not only to the claim of the petitioner herein and to the particular foreign banking institution against which that claim was made, but to the numerous other foreign banking institutions which were then and are now still in the process of

liquidation under the control of the New York Superintendent of Banks (R. 196-197). The letter of October 29, 1942 (R. 192), Supervisory Order Number 27 (R. 198-200), the letter of September 28, 1942 (R. 242-244) and Vesting Order 915 (R. 201) had general application not only to the claim of petitioner herein but to the liquidation of all the New York assets of the Yokohama Specie Bank, Ltd.

4. The most recently published report of the New York Superintendent of Banks (New York Legislative Document 1949, No. 21, at p. 69) indicates that creditors of the foreign banking institutions being liquidated by the Superintendent, whose claims have been allowed or established, have received 100% dividends, but it appears also from the table at page 116 of that report that no interest has been paid on those claims. In his Annual Report for 1946 (New York Legislative Document 1947, No. 21) the Superintendent states at page 59: "Payment of interest to the creditors of the agencies awaits a determination as to whether the Superintendent is legally required to make payment thereof".

It appears, therefore, that one of the few remaining questions of any importance in the final winding up of this program of liquidating agencies of foreign banks is the determination of whether interest will or will not be paid to creditors of those institutions. In this case there is involved a license applicable to all the institutions being liquidated by the Superintendent of Banks of the State of New York—namely, the license of January 14, 1942 (R. 194). The other documents which petitioner contends authorized payments of its claim have general application to the particular agency involved in this suit. A definitive interpretation by this Court of the meaning of these documents appears to be necessary before it can be finally determined whether the many creditors involved in these liquidations will be paid interest on their claims.

As stated at the outset in this petition, petitioner herein seeks a review of these questions by this Court only in the event that the petition of respondent herein, which is also being presented for a review of the judgment of the Court of Appeals of New York, is allowed. Petitioner intends to oppose the petition of respondent on the ground that there are no special or important reasons to require this Court to review the matter of the application of the Trading with the Enemy Act to the peculiar facts of this case. If this Court should decide otherwise, however, petitioner respectfully submits that the questions herein sought to be reviewed fall in like category and should be passed upon by this Court.

WHEREFORE, petitioner prays that, if the petition for a writ of certiorari filed by the respondent herein be granted, a writ of certiorari be issued out of and under the seal of this Honorable Court directed to the Court of Appeals of the State of New York, commanding that Court to certify to and send to this Court for its review and determination a full and complete transcript of the record and of the proceedings of said Court had in the case entitled "Banque Mellie Iran, Plaintiff-Respondent-Appellant, against The Yokohama Specie Bank, Ltd., Leo T. Crowley, as Alien Property Custodian, Defendants, and Elliott W. Bell, as Superintendent of Banks of the State of New York, as Liquidator of the business and property of Yokohama Specie Bank, Ltd., in the State of New York, Defendant-Appellant-Respondent", and that the judgment of said Court be reversed in so far as it failed to direct the payment of petitioner's claim and failed to allow interest from January 14, 1942, or in any event from October 29, 1942, and for such further relief as to this Court may seem proper.

BANQUE MELLIE IRAN

By ALLEN T. KLOTS

Dated: January 3, 1950.

Counsel for Petitioner.

IN THE
Supreme Court of the United States
October Term, 1949

No.

BANQUE MELLIE IRAN,
Petitioner,
against

ELLIOTT V. BELL, as Superintendent of
Banks of the State of New York, as
Liquidator of the business and prop-
erty of The Yokohama Specie Bank,
Ltd., in the State of New York,
Respondent.

**BRIEF IN SUPPORT OF PETITION FOR WRIT
OF CERTIORARI.**

I.

The Opinion, Orders, and Judgments Below.

The opinion below is reported at 299 N. Y. 139 (R. 351). Reference should also be made to the opinion in the case of *Singer v. Yokohama Specie Bank, Ltd.*; reported at 299 N. Y. 113, in which similar issues are discussed and to which the Court of Appeals refers in its opinion in this case. The remittitur of the Court of Appeals appears at page 354 of the Record and an amendment thereto to page 356. The original judgment entered herein and the judgments of modification entered upon the orders of the Appellate Division and the Court of Appeals appear, respectively, at pages 8, 341, and 365.

II.**Jurisdiction.**

The statutory provisions under which the jurisdiction of this Court is invoked are set forth in the petition at pages 6 and 7.

III.**Statement of the Case.**

The statement of the case appears in the petition at pages 2 through 6.

IV.**Specification of Errors to Be Urged.**

The errors to be urged are those set forth in the petition at page 7 under the heading "Questions Presented":

V.**Argument.**

The Court of Appeals of the State of New York in holding that petitioner is not entitled to payment of its claim, and hence not entitled to interest on its claim, has decided substantial questions of Federal law of general importance in the administration of the Federal program for control of foreign funds and relating specifically to licenses issued pursuant to Executive Order No. 8389 and the Trading with the Enemy Act.

The Court of Appeals of the State of New York held in this case that petitioner's claim in the amount of \$112,205.30 against the Yokohama Specie Bank, Ltd. was entitled to a preference under the laws of the State of New York (299 N. Y. 139, R. 351). The Court denied petitioner interest on its claim, however, on the theory that the defendant was not liable for interest until it had been authorized by Federal

authorities to pay petitioner's claim and none of the documents in evidence constituted such an authorization (R. 353-354).

Petitioner suggests that this holding of the Court of Appeals should be reviewed by this Court because the question of payment of interest and the interpretation of the licenses, which petitioner urges did authorize the payment of its claim, are of importance in the administration of the program for the liquidation of foreign banking agencies.

Although dividends in the amount of 100% have been paid by the New York Superintendent of Banks to all claimants whose claims have been allowed or established, no interest has yet been paid (Report of Superintendent of Banks, New York Legislative Document 1949, No. 21 at pp. 69 and 116). In his Report for the year 1946 the Superintendent of Banks reports that:

" * * * Payment of interest to the creditors of the agencies awaits a determination as to whether the Superintendent is legally required to make payment thereof." (New York Legislative Document 1947, No. 21 at p. 59.)

The documents which petitioner claims constituted Treasury authorizations to pay its claim are set forth in full as an appendix hereto. The importance of obtaining a definitive interpretation of these documents lies in their application not only to the claim of petitioner but to all the agencies of foreign banks whose liquidation has been conducted by the Superintendent of Banks.

The first document involved is License No. N. Y. 338836-SU, dated January 14, 1942, and was issued to the then Superintendent of Banks of the State of New York. The license states in part (R. 196-197):

" * * * You are hereby authorized to make payments to depositors, effect the sale of securities and

delivery of collateral, make payments of salaries and other expenses and to perform all other acts appropriate to the orderly liquidation of the assets, property and business in the State of New York of the following foreign banking corporations in accordance with the laws of the State of New York:

Bank of Chosen
 Bank of Taiwan, Ltd.
 Mitsubishi Bank, Limited
 Mitsui Bank, Limited
 The Sumitomo Bank, Limited
Yokohama Specie Bank, Limited
 Banca Commerciale Italiana
 Banco di Napoli
 Banco di Roma
 Credito Italiano

This license is issued subject to the following stipulations:

2. Transactions involving a blocked national other than the bank in liquidation shall be effected only as authorized by a general or specific license."
 (Italics supplied.)

The simple question which this license presents is whether an authorization to permit acts appropriate to liquidation of the Yokohama Specie Bank, Ltd, in accordance with the laws of the State of New York constitutes an authorization to pay claims entitled to a preference under the New York law. Petitioner was not and never has been a blocked national. The plain language of this document would seem to authorize the payment of petitioner's claim once it had been allowed or established as a preferred claim under New York law. This interpretation is supported by a letter received with respect to an application for a license which was made on behalf of petitioner on December 18, 1941 (R. 283-286). The Federal Reserve Bank, as fiscal

agent of the United States, wrote on January 21, 1942 (or shortly after the issuance of the license just discussed) that with respect to this application for a license:

" . . . we have been advised by the Treasury Department that no action is being taken.

The liquidation of the Yokohama Specie Bank, Ltd. is under the supervision of the Superintendent of Banks" (R. 287).

No action has yet been taken on the application referred to and a reasonable interpretation of this letter would seem to be that the problem was now in the lap of the Superintendent of Banks and that payment awaited a determination of the status of petitioner's claim under New York law rather than additional licensing.

The Court of Appeals held, however, that the license of January 14, 1942 did not authorize payment of petitioner's claim even if allowed or established and this holding, dealing as it does with a document of general application to the liquidation of the Yokohama Specie Bank and the other enemy banks in the State of New York will, unless reversed by this Court, will constitute a controlling precedent as to the right of claimants similarly situated to interest on their claims.

The letter of October 29, 1942 to the Yokohama Bank, Ltd., New York Agency, in care of the New York Superintendent of Banks (R. 192) states that in view of the supervisory order executed theretofore by the Alien Property Custodian "you are authorized by ~~the Treasury Department~~, so far as Executive Order No. 8389, as amended, is concerned, to engage in any transaction on or after October 29, 1942, which might be engaged in without a specific license of the Treasury Department by a person who is not a national of any blocked country" (R. 192-193).

This language would seem to permit the Yokohama Specie Bank, Ltd., New York agency, through its liquidator, the New York Superintendent of Banks, to deal with its assets as if they were no longer blocked. A license would appear to be required only when the transaction involved a blocked national other than the Yokohama Specie Bank, Ltd., New York agency. The petitioner in the instant suit was never a blocked national and the language of the letter which is quoted would seem to authorize the Superintendent of Banks to pay petitioner's claim.

Reference to other documents in the record issued by the Alien Property Custodian indicates that the letter of October 29, 1942 just quoted constitutes in effect a withdrawal of Treasury control over the foreign funds in question. On September 28, 1942, the Alien Property Custodian issued his Supervisory Order Number 27 (R. 198-200). This Order and the letter of the same date which accompanied it (R. 242-244) make it clear that the liquidation of the New York assets of the Yokohama Specie Bank, Ltd. was thereafter to be conducted by the New York Superintendent of Banks under the supervision of the Alien Property Custodian. The Superintendent of Banks was authorized, however, to "do such acts and perform such duties as may be required of or permitted to you by and in accordance with and subject to the provisions of the Banking Law of the State of New York" (R. 242). Since the payment of preferred claims was both required and permitted by the Banking Law of the State of New York the language just quoted is inconsistent with a requirement of further licensing of claims which have been established. Vesting Order 915 (R. 201) was executed by the Alien Property Custodian on February 15, 1943 and by its terms vested the "excess proceeds" of the New York assets of the Yokohama Specie Bank, Ltd. "remaining after the payment of the claims of

the creditors, accepted or established in accordance with the Banking Law of the State of New York * * * ' (R. 201). Once again, reasonably interpreted, this language constituted an authorization to pay claims accepted or established in accordance with the Banking Law of the State of New York. Since the obtaining of a license was not made a condition for the making of such payments it is unreasonable to suppose that additional licensing was required.

The Court of Appeals has held, however, that the Superintendent of Banks was not authorized by any of these documents to pay petitioner's claim and that therefore petitioner is not entitled to interest on its claim. This ruling, unless reversed by this Court, will deny interest to all claims similarly situated.

If there is any question involved in this program for the liquidation of foreign banks which should be passed on by this Court, it is the question of the effect of these licenses and the obligation of the New York Superintendent of Banks to pay interest to claimants.

VI.

Conclusion.

For the foregoing reasons it is respectfully submitted that if the petition for a writ of certiorari filed by the respondent herein is granted then this petition should be granted as well.

ALLEN T. KLOTS,
Attorney for Banque Mellie Iran,
32 Liberty Street,
New York 5, New York.

APPENDIX.

License No. N. Y. 338836-SU

Date: January 14, 1942

L I C E N S E

(GRANTED UNDER THE AUTHORITY OF EXECUTIVE ORDER NO. 8389 OF APRIL 10, 1940, AS AMENDED, AND THE REGULATIONS AND RULINGS ISSUED THEREUNDER)

To: William R. White, as Superintendent of Banks of the State of New York (1)

Name of Licensee

80 Centre Street, New York, New York

Address of Licensee

Sirs:

1. Pursuant to your application of January 5, 1942, the following transaction is hereby licensed:

(See Reverse Side)

2. This license is granted upon the statements and representations made in your application, or otherwise filed with or made to the Treasury Department as a supplement to your application, and is subject to the conditions, among others, that you will comply in all respects with Executive Order No. 8389 of April 10, 1940, as amended, the Regulations and Rulings issued thereunder and the terms of this license.

3. The licensee shall furnish and make available for inspection any relevant information, records or reports requested by the Secretary of the Treasury, the Federal Reserve Bank through which the license was issued, the Postmaster at the place of mailing or the Collector of Customs at the port of exportation.

4. This license is not transferable, is subject to the provisions of Executive Order No. 8389 of April 10, 1940, as

Appendix

amended, and the Regulations and Rulings issued thereunder and may be revoked or modified at any time in the discretion of the Secretary of the Treasury acting directly or through the agency through which the license was issued, or any other agency designated by the Secretary of the Treasury. If this license was issued as a result of willful misrepresentation on the part of the applicant or his duly authorized agent, it may, in the discretion of the Secretary of the Treasury, be declared void from the date of its issuance, or from any other date.

Issued by direction and on behalf of the Secretary of the Treasury:

FEDERAL RESERVE BANK OF NEW YORK
per pro C. D. BLAUVELT

The Act of October 6, 1917, as amended, provides in part as follows:

" * * * Whoever willfully violates any of the provisions of this subdivision or of any license, order, rule or regulation issued thereunder, shall, upon conviction, be fined not more than \$10,000, or, if a natural person, may be imprisoned for not more than two years, or both; and any officer, director, or agent of any corporation who knowingly participates in such violation may be punished by a fair fine, imprisonment or both."

Note: If this license covers gold in any form the provisions of the Provisional Regulations issued under the Gold Reserve Act of 1934 must also be complied with.

Reverse Side.

You are hereby authorized to make payments to depositors, effect the sale of securities and delivery of collateral, make payments of salaries and other expenses and to perform all other acts appropriate to the orderly liquidation of the assets, property and business in the State of New York of the following Foreign Banking Corporations in accordance with the laws of the State of New York:

Appendix

Bank of Chosen

Bank of Taiwan, Ltd.

Mitsubishi Bank, Limited

Meiji Bank, Limited

The Sumitomo Bank, Limited

Yokohama Specie Bank, Limited

Banca Commerciale Italiana

Banco di Napoli

Banco di Roma

Credito Italiano

This license is issued subject to the following stipulations:

1. All payments to countries designated in the Order or nationals thereof, shall be made to domestic banks for credit to the blocked accounts of such nationals.
2. Transactions involving a blocked national other than the bank in liquidation shall be effected only as authorized by a general or specific license.
3. Any distribution on account of stock ownership shall only be made pursuant to a specific license.

Appendix

Received
 Nov. 2 1942
 Supt. of Banks
 State of N. Y.
 Broadway, N. Y.

FEDERAL RESERVE BANK OF NEW YORK

Fiscal Agent of the United States

October 29, 1942

Yokohama Specie Bank, Ltd., New York Agency
 c/o Supt. of Banks of the State of New York
 80 Centre Street
 New York, New York

Dear Sirs:

Reference is made to Supervisory Order No. 27, executed on September 23, 1942, by the Alien Property Custodian.

In view of such order, you are authorized by the Treasury Department, so far as Executive Order No. 8389 as amended, is concerned, to engage in any transaction on or after October 29, 1942, which might be engaged in without a specific license of the Treasury Department by a person who is not a national of any blocked country.

License No. NY 338836-SU is hereby revoked insofar as it applied to Yokohama Specie Bank, Ltd., New York Agency.

It is suggested that you communicate with the office of the Alien Property Custodian concerning the applicability to your enterprise of any orders, rulings or regulations of such office.

Very truly yours,
 per pro

M. FUELLING
 Foreign Property
 Control Department